

## CONFIRMED AUDIT COMMITTEE MEETING MINUTES

<b>Date</b>	Tuesday, 7 February 2023	<b>Time</b>	14:00-17:00
<b>Venue</b>	Virtual Meeting	<b>Chair</b>	Barrie Senior, Non-Executive Director

<b>Present</b>	<ul style="list-style-type: none"> <li>Mr Barrie Senior, Non-Executive Director, Chair (BAS)</li> <li>Ms Julie Lawreniuk, Non-Executive Director (JL) (left the meeting at 4pm)</li> <li>Ms Sughra Nazir, Non-Executive Director (SN)</li> <li>Mr Jon Prashar, Non-Executive Director (JP)</li> </ul>
<b>In Attendance</b>	<ul style="list-style-type: none"> <li>Mr Matthew Horner, Director of Finance (MH)</li> <li>Mr Jonny Scholtz, Assistant Director of Finance (JS) – (representing Michael Quinlan (MQ))</li> <li>Mr Richard Maw, Counter Fraud, Audit Yorkshire (RM)</li> <li>Mr Nick Rayner, Deloitte (NR) (left the meeting at 15:00)</li> <li>Mr Jonathan Hodgson, Internal Audit (JH)</li> <li>Mr Chris Boyne, Internal Audit (CB) – (representing Helen Higgs)</li> <li>Ms Laura Parsons, Associate Director of Corporate Governance/Board Secretary (LP)</li> <li>Ms Jacqui Maurice, Head of Corporate Governance (JM)</li> </ul>

No.	Agenda Item	Action
<b>A.2.23.1</b>	<b>Apologies for Absence</b> <ul style="list-style-type: none"> <li>Mr Michael Quinlan, Deputy Director of Finance (MQ)</li> <li>Ms Helen Higgs, Audit Yorkshire (HH)</li> </ul> <p>Due to industrial action taking place Dr Paul Rice, Chief Digital &amp; Information Officer and Ms Judith Connor, Associate Director of Quality were stood down from attending the Audit Committee meeting.</p>	
<b>A.2.23.2</b>	<b>Declarations of Interest</b> <p>There were no interests declared.</p>	
<b>A.2.23.3</b>	<b>Minutes of the meeting held 21 October 2022</b> <p>The minutes were accepted as a fair representation of the meeting.</p>	
<b>A.2.23.4</b>	<b>Matters Arising</b> <p>The meeting noted that the greyed out items on the action log at Appendix 1 indicated those actions closed at the previous meeting. With regard to the actions due for consideration at this meeting the following updates were provided:</p> <ul style="list-style-type: none"> <li><b>2022/28 – Third party assurance</b> – BAS requested that once the information is received from EPR this is forwarded via email to the Chief Digital &amp; Information Officer. Awaiting report – <u>action to remain open</u></li> <li><b>2022/34 – Annual Internal Audit Performance Review</b> – Exec Director assessment results brought to February 2023 meeting – <u>action closed</u></li> <li><b>2022/47 – Sector update and benchmarking report</b> – item added to February agenda – <u>action closed</u></li> <li><b>2022/48 – Annual External Audit performance review</b> – paper discussed</li> </ul>	

	<p>at February 2023 meeting – <a href="#">action closed</a></p> <ul style="list-style-type: none"> <li>• <b><u>2022/49 – Follow up of internal audit recommendations</u></b> – information has been provided to each Executive Director on their specific outstanding recommendations and encouraging closure or updates – <a href="#">action closed</a></li> <li>• <b><u>2022/50 – Counter Fraud Progress report update</u></b> – Section of ‘outcomes’ has been provided in the progress report – <a href="#">action closed</a></li> <li>• <b><u>2022/51 – Progress on Charitable Funds Annual Report and Accounts 2021/22</u></b> – copy of letter shared with AC as part of the progress to approve the Charity accounts – <a href="#">action closed</a></li> <li>• <b><u>2022/53 – Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</u></b> – item added to February agenda – <a href="#">action closed</a></li> <li>• <b><u>2022/54 – Audit Committee Annual Self-Assessment progress report</u></b> – additional meeting took place on 26 January and item added to February agenda – <a href="#">action closed</a></li> <li>• <b><u>2022/55 – Audit Committee annual report to board</u></b> – updates complete. AC report added to the agenda for the Board of Directors 10.11.22 – <a href="#">action closed</a></li> <li>• <b><u>2022/56 – Partnership arrangements; implications for the Audit Committee</u></b> – Item added as a standing item on Audit Committee workplan – <a href="#">action closed</a></li> <li>• <b><u>2022/57 – Progress report on compliance with the ‘Policy for the development and management of Trust policies’</u></b> - Where required policy authors have updated their policies subsequent to the audit to ensure they are compliant. <a href="#">Action closed</a></li> <li>• <b><u>2022/58 – Progress report on compliance with the ‘policy for the development and management of Trust policies’</u></b> - To be discussed when the policy audit brief is agreed. The start of this audit has been delayed until the BAF audit is complete. – <a href="#">to remain open</a></li> <li>• <b><u>2022/59 – Data Quality (DQ) Assurance and Assurance: Key IT systems progress</u></b> – PR to attend February meeting to provide an overview of the progress to date on the service auditor report. PR to attend February meeting to provide an update regarding ‘Data Quality (DQ) Assurance and Assurance on key IT systems’ - . Item deferred to April meeting due to strike action on 7.2. – <a href="#">action to remain open</a></li> <li>• <b><u>2022/60 – Data Quality (DQ) Assurance and Assurance: Key IT systems progress</u></b> – to be included in the internal audit progress report – <a href="#">action closed</a></li> <li>• <b><u>2022/61 – Attendees for subsequent audit committee meetings (2022/59 merged with this action)</u></b>– PR to attend February meeting to provide an update regarding ‘Data Quality (DQ) Assurance and Assurance on key IT systems’ - . Item deferred to April meeting due to strike action on 7.2.23 – <a href="#">action closed and merged with 2022/59</a></li> </ul>	
<b>A.2.23.5</b>	<p><b>Sector Update and Benchmarking report</b></p> <p>NR provided an overview of the report which covered the areas the Financial Reporting Council (FRC) is looking at from a corporate point of view which are of relevance to Bradford. There is a particular focus on climate change and this will feed across into the disclosures that the Trust is expected to include. NR confirmed that the report is presented for information with no expected actions arising.</p> <p>MH advised that this will be picked up through the Group Accounting Manual (GAM) and through the guidance received from NHSE with</p>	

	<p>regard to our annual report submission. The Corporate Governance team has communicated with individual Executive Directors on the expectations around reporting for the annual report. MH felt confident that the key elements have been captured.</p> <p>JH added that a number of these issues are incorporated within the planning guidance that the Trust is considering for 2023/24 especially in terms of any changes to accounting policies.</p> <p>The Committee noted the report.</p>	
<b>A.2.23.6</b>	<p><b>External Audit Annual Plan 2022/23</b></p> <p>NR provided a verbal update on the planning visit that took place recently. Meetings have taken place to review the general position and to understand more about the relevant risks for the current year. The introduction of IFRS 16, implemented this year, will be reviewed in more detail along with the work the Trust has undertaken to date.</p> <p>Changes have been made to the way audits of foundation trusts are reviewed and the FRC will now undertake the reviews of trusts who have revenue of over £500m. This will impact on the way the audit partners review and sign off the accounts. Work is ongoing to rearrange portfolios within Deloitte to ensure that an appropriate audit partner is available to sign off the accounts.</p> <p>The Committee noted the verbal update.</p>	
<b>A.2.23.7</b>	<p><b>Use of External Audit to Provide Non-Audit Services (standing item)</b></p> <p>There was nothing to report on this item.</p>	
<b>A.2.23.8</b>	<p><b>External Auditor Contract</b></p> <p>Internal Audit and External Audit members were excluded from the discussion. MH advised that the paper had previously been noted at the 19 January 2023 Board of Directors meeting and also at the 26 January 2023 closed Council of Governors meeting where it was approved.</p> <p>The Committee noted the contents and the approval provided by the Council of Governors.</p>	
<b>A.2.23.9a</b>	<p><b>Internal Audit Progress Report</b></p> <p>The AC noted the report and the significant amount of activity made with regard to progress. JH highlighted the following key points:</p> <ul style="list-style-type: none"> <li>Thirteen finalised reports have been issued since the last meeting. As can be seen in the report provided, four have high assurance, six have significant assurance and three did not require an opinion. The AC concurred that this suite of reports represented an excellent outcome for the Trust.</li> </ul> <p>Seven management changes to the current year internal audit plan have been requested since the last meeting:-</p> <ul style="list-style-type: none"> <li><u>Estates Contract Management - defer to Q1 of 2023/24 - due to</u></li> </ul>	

	<p>significant staffing pressures; to be re-considered as part of the planning process for 2023/24 (Q1)</p> <ul style="list-style-type: none"> <li>○ <u>Fire Safety</u> – An addition at the request of the Head of Business Management to utilise unused audit days in replacing the Estates Contract Management audit.</li> <li>○ <u>Policy Management - defer to Q4</u> due to capacity issues within the team. Work to commence in March once the work on the BAF has been completed.</li> <li>○ <u>Tackling Health Inequalities; system level - defer to 2023/24</u> - due to a revised strategy being under development and due in March/April 2023</li> <li>○ <u>Monitoring Delivery of the Corporate Strategy</u> – An addition to be undertaken as a Control Improvement Audit (CIA) in March 2023 as a replacement for the Tackling Health Inequalities audit which has been requested to be deferred to Q1 2023/24. A CIA involves a two stage process with the first stage being a supportive process for the Executives and the second stage following up on actions and providing an assurance report.</li> <li>○ <u>Moving and Handling - defer to Q4</u> - due to current workload and staffing pressures. Work will commence towards the end of February 2023.</li> <li>○ <u>Pathology Services; IT Infrastructure - defer to Q1 2023/24</u> - due to the implementation of a new Pathology IT system in February 2023 across all WYAAT members.</li> </ul> <ul style="list-style-type: none"> <li>• The KPIs (Key Performance Indicators) are showing 100% delivery and this is reflective of the continued positive engagement with the executive team. JP queried whether the KPIs had been set correctly in the first instance and suggested that perhaps these should have been more stretching. JH gave an overview of the KPI process and the targets and indicators set and noted that the Trust benchmarked well. CB further assured the AC that regular reviews of KPIs are undertaken by Audit Yorkshire and they were comfortable with the targets and indicators.</li> <li>• 346 out of 580 audit days (60%) have been delivered. Ongoing discussions will continue with the executive team for the remaining 234 days to mitigate the risk of delay or deferral with a plan in place for any additional work that can be undertaken.</li> <li>• JH confirmed that an internal audit review had taken place and this had formed a view on the timescales that management are undertaking to respond to audit recommendations. Target dates are agreed as part of the original report with some requests to amend the target date being received. These target dates need to be achievable and reflective of where the organisation is and to reflect any challenges being experienced by a particular system area or executive.</li> </ul> <p>The Committee approved the seven proposed changes and noted the report and the assurance provided.</p>	
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<b>A.2.23.9b</b>	<p><b>Internal Audit 2023/24 planning process</b></p> <p>JH advised that the report provided an overview of the work being undertaken by internal audit and the ongoing engagement with stakeholders internally. JH reassured the committee that the process is fully compliant with the requirements of public sector internal audit standards and will facilitate a meaningful Head of Internal Audit Opinion. JH confirmed that the guidance from the Institute of Internal Auditors (IIA) is moving away from a 3 year programme of work to a fixed six month programme for the start of the year and then an indicative six month programme for the second half of the year. In light of some of the guidance received by internal audit they confirmed that an annual programme of work will remain in place but with a three to five year audit needs assessment process in place. MH re-iterated the process undertaken to establish the plan is very much risk based and includes statutory regulatory requirements. Internal assessments are undertaken to see if there are any management requests and in addition it is included on Academy agendas for discussion. The Committee welcomed sight of the plan and the potential process to absorb rate increases. MH confirmed that over the last couple of years we have amended the number of days we procure based on the cost increase. He felt that it would be beneficial to see how we benchmark those days that we procure from internal audit. The AC agreed to review and discuss the number of days at the April meeting and to understand how many days are removed from the Plan as a result of the rate change.</p> <p>JH confirmed a draft programme of work will be provided at the April 2023 Audit Committee meeting for consideration which will include a three year assessment and the rationale for what will be included as part of the year one programme.</p> <p>The Committee noted the paper and the assurance provided.</p>	<p><b>Internal Audit A23001</b></p>
<b>A.2.23.10</b>	<p><b>BH132023 Improving Financial Sustainability internal audit report</b></p> <p>JL confirmed that the internal audit report has previously been discussed at the January Finance &amp; Performance Academy meeting.</p> <p>MH advised that internal audit evaluated our self-assessment to be the same level of scoring based on the evidence we provided. There were three improvement actions from the audit:-</p> <ul style="list-style-type: none"> <li>• <u>Cost Improvement Plans</u> -information and resource packs will be presented to the February Finance &amp; Performance Academy that will highlight how the Trust will manage the financial improvement process for next year.</li> <li>• <u>Budget reporting and forecasting</u> – internal reports from Finance &amp; Performance Academy and Board reporting at CSU level will be in place from next year.</li> <li>• <u>Financial training for budget holders</u> – training session have been arranged for budget holders</li> </ul> <p>JH noted that in relation to the Financial Sustainability report we are required to follow up on the actions but are awaiting timeframes from</p>	<p><b>Internal Audit A23002</b></p>

	<p>NHSE/I. The audit will be included in the 2023/24 plan with a report to the AC in November 2023.</p> <p>The Committee noted the paper and the assurance provided.</p>	
<b>A.2.23.11</b>	<p><b>Follow up of Internal Audit Recommendations</b></p> <p>JH advised that the report should be taken as read. He noted that the outstanding recommendations had reduced to 11 following significant input from each individual Executive. Discussion took place in relation to the assurance levels attached to the reports and how internal audit challenge management assertions and the organisations ability to deliver on the agreed actions. JH confirmed that the report has been scrutinised from a number of angles and he felt it would be unfair to just report on the performance figures. JH expressed his thanks to MH and the CEO for supporting the process.</p> <p>MH went on to discuss how the executive team has been encouraged to populate and progress their outstanding recommendations which are sent out on a monthly basis by Audit Yorkshire. Additional training will be provided to the executive team on how to update recommendations and navigate the system.</p> <p>The Committee noted the report.</p>	
<b>A.2.23.12</b>	<p><b>Internal Audit Effectiveness Review</b></p> <p>MH delivered an overview of the paper which provides the results of the recent Executive Director review of Internal Audit Effectiveness. It was noted that question 1 had been removed from the questionnaire to enable the responses to remain anonymous. The questions, as the basis for the assessment, have been derived from the HFMA Audit Committee Handbook and sectioned into key themes.</p> <p>MH felt overall it had been a positive response with a lot of helpful comments and some areas of improvement. He noted that there is a piece of work required to redistribute the working together protocol through executive colleagues. Further work is required on three or four areas to further explore the responses from individuals and what can be done to improve. MH suggested re-running the questionnaire next year to see if the issues highlighted have improved to report back to the AC in November 2024.</p> <p>The Committee noted the paper and the assurance provided.</p>	<p><b>Director of Finance A23003</b></p>
<b>A.2.23.13</b>	<p><b>Internal Audit Recommendations Benchmarking Report</b></p> <p>JH provided an overview of the paper which enables each organisation to compare its performance in respect of implementing recommendations against other organisations within the client base of Audit Yorkshire. He noted that there had been a significant improvement since this benchmarking report was undertaken.</p> <p>MH gave an overview of the results contained within the paper which had previously been discussed with the Executive Team. MH agreed he</p>	



	<p>would circulate the comparison paper (which had been omitted from the papers for this meeting). MH went on to note that there had been a significant improvement in the completion of overdue recommendations. He alluded to the actions proposed as part of the benchmarking exercise which were:</p> <ul style="list-style-type: none"> <li>• MH to forward actions to Executive colleagues, highlighting areas that need updating.</li> <li>• To provide additional training to Executive colleagues to improve awareness and education</li> <li>• JH to discuss further any outstanding recommendations with Executive colleagues to progress completion</li> </ul> <p>JH further advised that as part of the next round he would share areas of good practice from other organisations. Feedback from the Executive team has been positive and they have welcomed the input and guidance from internal audit and it is proposed to continue to do this on a regular basis.</p> <p>The Committee noted the paper and the assurance provided.</p>	<p><b>Director of Finance A23004</b></p>
<b>A.2.23.14</b>	<p><b>Counter Fraud progress report update</b></p> <p>RM drew attention to the following key points within the report:</p> <ul style="list-style-type: none"> <li>• <u>Fraud survey</u> – this is directly informed by the counter fraud functional standards which we need to adhere to in order to gain compliance for the Trust. Four of the twelve standards have a survey attached to them to measure awareness. Masterclasses have been held every month across all of the Yorkshire clients and a survey has been sent to all those that have attended over the last 12 months. It was felt that this was a relatively easy way of reaching people without impacting on their workload particularly in clinical areas. Work is ongoing around future focus groups as it hasn't felt appropriate to push forward with this at this present time. There is an option to circulate the fraud survey to all staff via global email if further data is required although the response rate to the general fraud survey last year was low. Once the survey has been sent out we can state that we have measured awareness and therefore will be green compliant for those four standards.</li> <li>• <u>Fraud risk assessments</u> – the Counter Fraud Authority (CFA) are projecting a 3-5 year timescale for Trusts to become compliant. Before the end of the financial year the standards will be applied to Bradford and it was hoped that we would be able to reach compliance sooner than the CFA have predicted. Steps have been taken in counter fraud to move this to amber compliance this year by producing a draft version of the start of the risk assessments. There are 126 risk assessments in total although many are not applicable to the Trust.</li> </ul> <p>SN questioned if the QR code mentioned within the report includes functionality for staff to report suspected fraud anonymously. RM confirmed that it does not but he would refer back to the creators to see if this could be imbedded.</p>	<p><b>Counter Fraud A23005</b></p>

	<p>SN further queried the steps taken to record patient property since moving to an electronic system; particularly jewellery as referred to in the cases shown within the report. MH advised that there is a Trust policy on handling patient's belongings which details the reporting and receipting requirements for patient belongings.</p> <p>RM agreed to include within the outcome section of his report an update on each case so that this can be monitored until closure.</p> <p>The Committee noted the report and the assurance provided.</p>	<p><b>Counter Fraud A23006</b></p>
<b>A.2.23.15</b>	<p><b>Exception reports: Schedules of losses and special payments and single tender waivers</b></p> <p>JS drew attention to the following key points within the report:</p> <ul style="list-style-type: none"> <li>• There has been an increase in losses</li> <li>• There have been seven waivers relating to areas where we have only 1 supplier available or where its seen as a benefit for business continuity</li> </ul> <p>BAS queried the 'losses 3c other' amount of £26,000 compared to £3,000 last year. JS confirmed that there are 20 bad debt write offs that have been written off collectively hence the high figure.</p> <p>The Committee noted the report and the assurance provided</p>	
<b>A.2.23.16</b>	<p><b>Losses and Special Payments Policy update</b></p> <p>JH confirmed that a review of the policy had been undertaken with no material changes made to either the Trust's policy or procedure for losses and special payments. Minor changes have been made to ensure compliance with the Trust standard format for policies and to ensure accuracy with the latest management and governance structures.</p> <p>The Committee approved the policy</p>	
<b>A.2.23.17</b>	<p><b>2022/2023 Annual Accounts update</b></p> <p>The report was taken as read. BAS suggested an informal meeting is arranged to discuss the accounts and the date included within the timetable. The timetable will be discussed further during the planning process with Deloitte. JS confirmed that a number of recommendations from the last year-end review meeting with Deloitte have been implemented to ensure the Trust is in a better position prior to the accounts being closed.</p> <p>The Committee noted the paper and assurance provided.</p>	<p><b>Deputy Director of Finance A23007</b></p>
<b>A.2.23.18</b>	<p><b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b></p> <p>The report was taken as read. MH drew attention to the following points within the report:</p>	



	<ul style="list-style-type: none"> <li>Delegated limits have been aligned to the appropriate individuals</li> <li>An expansive note around the role of internal audit has been added</li> <li>Work undertaken to align procurement thresholds to the latest regulatory threshold.</li> <li>Work undertaken to align the thresholds of the budgetary management framework within the Scheme of Delegation.</li> <li>The R&amp;D governance arrangements have been updated to provide tighter control given the volume of grants that are now coming through.</li> </ul> <p>BAS noted that he had several queries that he would discuss further with MH and MQ off line.</p> <p>Discussion took place around the raised authority limits and MH explained that these had been raised to ensure that the tolerance and value was right. Comparisons with other Trusts have been undertaken to ensure that the thresholds are aligned. MH suggested he report back to the October 2023 meeting with the schedule of approvals that have taken place at the upper end of the threshold limit for comparison and assurance.</p> <p>The Committee approved the paper subject to BAS queries to be discussed and cleared with MH and MQ.</p>	<p><b>Director of Finance A23008</b></p> <p><b>Director of Finance A23009</b></p>
<b>A.2.23.19</b>	<p><b>Pathology Joint Venture annual accounts 2021/2022</b></p> <p>The report was taken as read. MH gave an overview of the accounts detailing the operational success, profit position and the intention for re-investing back into the business with opportunities to repatriate expensive test work that we are sending out to Leeds and Manchester back in-house. It was noted that all profits are shared equally between BTHFT, Airedale NHS FT and Harrogate FT. As a Trust we didn't take the profit last year and this was highlighted in our ISA 260 but it will be taken into account under the equity accounting rules and will be reflected in this year's accounts.</p> <p>The Committee noted the paper and the assurance provided.</p>	
<b>A.2.23.20</b>	<p><b>Trust compliance with Standing Orders, Standing Financial Instructions, Scheme of Delegation (standing item)</b></p> <p>There was nothing to report on this item.</p>	
<b>A.2.23.21</b>	<p><b>Suspension of Standing Orders/Standing Financial Instructions (standing item)</b></p> <p>There was nothing to report on this item.</p>	
<b>A.2.23.22</b>	<p><b>Other assurance functions (standing item)</b></p> <p>There was nothing to report on this item.</p>	
<b>A.2.23.23</b>	<p><b>Partnership arrangements: implications for the Audit Committee</b></p> <p>LP advised that there were no further updates since the session held regarding the HFMA addendum to the handbook.</p>	

	<p>There will be a focus on developing the ICB assurance framework in the first instance so there will be a pause in the work on the individual Place partnership assurance frameworks for the time being to focus on the ICB.</p> <p>LP asked the AC to note that at the April Audit Committee meeting there will be a report against the Provider Licence arrangements which will include the new guidance on Governance and Collaboration.</p> <p>The Committee noted the verbal update</p>	
<b>A.2.23.24</b>	<p><b>Assurance regarding compliance with Risk Management Strategy</b></p> <p>The report was in the main taken as read. A discussion took place with regard to the assurance map. LP advised that the list was compiled from the Academy and Board work plans. She asked the AC to note that this was a first draft of the assurance map and it wasn't a complete list.</p> <p>JH suggested a 'wiring diagram' is included within the document which would overlay some of the key assurances in terms of the BAF. He also suggested linking to the executive director portfolios to ensure we are fully covering the relevant assurances and identifying any gaps that could impact the organisation achieving its strategic objectives. JH suggested comparing our assurance map with other organisations to see if there are any gaps and what level of detail they have gone into. LP agreed to discuss further with the Company Secretary Network and other organisations to see if they had any examples they could share.</p> <p>BAS suggested further work could be done to strengthen the content to include prescriptive detail about what assurance we expect and need from each of these sources. JL felt that this would become too complicated a document if further detail is added. It was noted that in depth challenge is already sought through the Academies and would therefore not be required in further detail on the assurance map.</p> <p>Further discussion took place around the requirements for additional columns and details of the latest assurance and LP agreed to update the map as discussed which could then be mapped across to the BAF.</p> <p>JH agreed to discuss further with internal audit and to perhaps incorporate into the work around the risk management framework and the BAF in terms of best practice.</p> <p>The Committee noted the paper and the assurance provided.</p>	<p><b>Board Secretary</b> <b>A23010</b></p> <p><b>Board Secretary</b> <b>A23011</b></p> <p><b>Internal audit</b> <b>A23012</b></p>
<b>A.2.23.25</b>	<p><b>Impact of climate change on public sector bodies</b></p> <p>This item was deferred to the April Audit Committee meeting.</p>	
<b>A.2.23.26</b>	<p><b>Audit Committee Annual Self-Assessment</b></p> <p>At a recent meeting of Audit Committee members the checklist items within the HFMA Audit Committee handbook were reconsidered, where comments or concerns had been raised previously. The AC felt</p>	

	<p>satisfied that they were in a good position apart from Data Quality assurance.</p> <p>BAS suggested that a discussion with BAS, internal audit, MH and Paul Rice, Chief Digital &amp; Information Officer (PR) takes place to glean the assurance that we need in relation to data and information quality and key IT systems. An off line discussion with BAS, MH and internal audit will take place to draft a clear brief prior to the meeting with PR.</p> <p>As a result of the self-assessment discussions BAS suggested PR is invited to the April Audit Committee to present a summary on progress to date, the perceived gaps in assurance and that the data and information relevant to achieving our strategic objectives is accurate, complete and timely.</p> <p>The Committee noted the verbal update.</p>	<p><b>Director of Finance</b> <b>A23013</b></p> <p><b>Board Secretary</b> <b>A23014</b></p>
<b>A.2.23.27</b>	<p><b>Audit Committee work plan</b> The report was taken as read. There Committee confirmed were no further alternations to make.</p> <p>The Committee approved the work plan</p>	
<b>A.2.23.28</b>	<p><b>Any other business</b> There was no other business to report.</p>	
<b>A.2.23.29</b>	<p><b>Matters to share with other committees</b> There was no other business to report.</p>	
<b>A.2.23.30</b>	<p><b>Matters to escalate to the Risk Register</b> There were no matters identified to escalate to the High level Risk Register.</p>	
<b>A.2.23.31</b>	<p><b>Matters to escalate to the Board of Directors</b> There were no matters identified to escalate to the Board of Directors.</p>	
<b>A.2.23.32</b>	<p><b>Items deferred to subsequent meetings</b></p> <ul style="list-style-type: none"> <li>• Impact of climate change on public sector bodies was deferred to the April meeting.</li> <li>• Data Quality (DQ) Assurance and Assurance: Key IT systems progress report update deferred to the April meeting</li> <li>• External Audit Annual Plan 2022/23 deferred to the April meeting</li> <li>•</li> </ul>	
<b>A.2.23.33</b>	<p><b>Attendees for subsequent audit committee meeting</b> Paul Rice, Chief Digital and information Officer to be invited to the April meeting to provide an update regarding 'Data Quality (DQ) Assurance and, Assurance on key IT systems'</p>	<b>Refer to A23014</b>
<b>A.2.23.34</b>	<p><b>Review of meeting</b> JP agreed to provide BAS with some notes as a review of the meeting. BAS would then decide if they were to be circulated to other AC members</p>	<p><b>Jon Prashar</b> <b>Non-Executive Director</b> <b>A23015</b></p>

<b>A.2.23.35</b>	<b>Date and time of next virtual meetings:</b> All are scheduled from 2pm to 5pm on the following dates in 2023, except where stated: <ul style="list-style-type: none"> <li>• 18 April</li> <li>• 23 May</li> <li>• 22 June 09:30-10:30 (extraordinary meeting accounts sign off)</li> <li>• 12 September</li> <li>• 21 November</li> </ul>	
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### Action log from the Audit Committee Meeting held 7 February 2023

Meeting date	Agenda reference	Agenda item	Lead	Review date	Comments/update
24.5.22	<b>A.5.22.24</b>	<b>Third party assurance.</b> BAS requested that once the information is received from EPR this is forwarded via email to the Chief Digital & Information Officer.	Deputy Director of Finance <b>2022/28</b>	October 2022	11.10.22 – awaiting report - <u>action to remain open</u> 26.7.22 – <u>action to remain open</u>
11.10.22	<b>A.10.22.25</b>	<b>Progress report on compliance with the ‘Policy for the development and management of Trust policies’.</b> LP suggested including within the imminent policy management audit a section relating to the steps that are taken to understand whether colleagues have read the policies relevant to their role. This would be included as part of the brief.	Board Secretary <b>2022/58</b>	April 2023	To be discussed when the policy audit brief is agreed. The start of this audit has been delayed until the BAF audit is complete. – <u>to remain open</u>
11.10.22	<b>A.10.22.28</b>	<b>Data Quality (DQ) Assurance and Assurance: Key IT systems progress</b> PR provided an overview of the progress to date on the service auditor report. He noted that he hadn’t received the responses expected from the suppliers and confirmed that he proposed to re-request the information and, once received, provide an update to the Audit Committee. Paul Rice, Chief Digital and information Officer to be invited to the February meeting to provide an update regarding ‘Data Quality (DQ) Assurance and, Assurance on key IT systems’.	Chief Digital and Information Officer <b>2022/59</b>	April 2023	Deferred to April Meeting due to strike action on 7 February 2023.  Included on the April agenda - <u>action closed.</u>
7.2.23	<b>A.2.23.9b</b>	<b>Internal Audit 2023/24 planning process</b> A draft programme of work will be provided at the April 2023 Audit Committee meeting for consideration which will include a three year assessment and the rational for what will be included as part of the year one programme.	<b>Internal Audit 2023/001</b>	April 2023	Included on the April agenda - <u>action closed.</u>

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7.2.23	A.2.23.13	<b>Internal Audit Recommendations Benchmarking Report</b> MH gave an overview of the results contained within the paper which had previously been discussed with the executive team and he agreed to circulate the comparison paper which had been omitted from this meetings papers	<b>Director of Finance 2023/004</b>	April 2023	ETM paper circulated to AC members on 4.4.23 – <u>action closed</u>
7.2.23	A.2.23.14	<b>Counter Fraud progress report update</b> SN questioned if the QR code mentioned within the report includes functionality for staff to report suspected fraud anonymously. RM noted that it doesn't but he would refer back to the creators to see if this could be imbedded.	<b>Counter Fraud 2023/005</b>	April 2023	Information to be included in the next progress report in April – <u>action closed</u>
7.2.23	A.2.23.14	<b>Counter Fraud progress report update</b> RM agreed to include within the outcome section of his report an update on each case so that this can be monitored until closure.	<b>Counter Fraud 2023/006</b>	April 2023	Information to be included in each progress report going forward – <u>action closed</u>
7.2.23	A.2.23.17	<b>2022/2023 Annual Accounts update</b> BAS suggested an informal meeting is arranged to discuss the accounts and the date included within the timetable.	<b>Deputy Director of Finance 2023/007</b>	April 2023	Meeting arranged for 1 June 2023 – <u>action closed</u>
7.2.23	A.2.23.18	<b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b> BAS noted that he had several queries that he would discuss further with MH off line.	<b>Director of Finance 2023/008</b>	April 2023	Items discussed – <u>action closed</u>
7.2.23	A.2.23.24	<b>Assurance regarding compliance with Risk Management Strategy</b> JH suggested comparing our assurance map with	<b>Board Secretary 2023/010</b>	April 2023	Added to April agenda – <u>action closed</u>



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		other organisations to see if there are any gaps and what level of details they have gone into. LP agreed to discuss further with the Company Secretary Network and other organisations to see they had any examples they could share			
7.2.23	A.2.23.24	<b>Assurance regarding compliance with Risk Management Strategy</b> Further discussion took place around the requirements for additional columns and details of the latest assurance and LP agreed to update the map as discussed which could then be mapped across to the BAF.	<b>Board Secretary 2023/011</b>	April 2023	Added to April agenda – <u>action closed</u>
7.2.23	A.2.23.24	<b>Assurance regarding compliance with Risk Management Strategy</b> JH agreed to discuss further with internal audit and to perhaps incorporate into the work around the risk management framework and the BAF in terms of best practice.	<b>Internal Audit 2023/012</b>	April 2023	Added to April agenda – <u>action closed</u>
7.2.23	A.2.23.26	<b>Audit Committee Annual Self-Assessment</b> BAS suggested that a discussion with internal audit, MH and Paul Rice, Chief Digital & Information Officer (PR) takes place to glean the assurance that we need in relation to data and information quality and key IT systems. An off line discussion with BAS, MH and internal audit will take place to draft a clear brief prior to the meeting with PR.	<b>Director of Finance 2023/013</b>	April 2023	Off line discussion took place – <u>action closed</u>
7.2.23	A.2.23.26	<b>Audit Committee Annual Self-Assessment</b> As a result of our self-assessment discussions BAS suggested PR is invited to the April Audit Committee to present a summary on progress to date, the perceived gaps in assurance and that the data and	<b>Board Secretary 2023/014</b>	April 2023	Added to April agenda – <u>action closed</u>

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		information relevant to achieving our strategic objectives is accurate, complete and timely			
7.2.23	A.2.23.34	<b>Review of meeting</b> JP agreed to provide BAS with some notes as a review of the meeting to circulate to other members as he sees fit.	<b>Jon Prashar NED 2023/015</b>	April 2023	Feedback circulated – <u>action closed</u>
7.2.23	A.2.23.18	<b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b> MH suggested he report back to the October 2023 meeting with the schedule of approvals that have taken place at the upper end of the threshold limit for comparison and assurance.	<b>Director of Finance 2023/009</b>	October 2023	
7.2.23	A.2.23.10	<b>BH132023 Improving Financial Sustainability internal audit report</b> JH noted that in relation to the Financial Sustainability report we are required to follow up on the actions but are awaiting timeframes from NHSE/I. The audit will be included in the 2023/24 plan with a report to the AC in November 2023.	<b>Internal Audit 2023/002</b>	November 2023	
7.2.23	A.2.23.12	<b>Internal Audit Effectiveness Review</b> MH suggested re-running the questionnaire early next year to address if the issues highlighted have improved to report back to the AC in November 2024	<b>Director of Finance 2023/003</b>	November 2024	
			<b>2023/016</b>		

## Appendix 1

### Actions closed at the meeting of the audit committee held 7 February 2022

Meeting date	Agenda reference	Agenda item	Lead	Review date	Comments/update
26.7.22	<b>A.7.22.10</b>	<b>Annual Internal Audit Performance Review</b> After discussion it was suggested that a separate 30 minute meeting is arranged to use the Mentimeter system to review internal audit performance. MH agreed to action.	Director of Finance <b>2022/34</b>	February 2023	11.10.22 - MH working with IA to establish survey on 'survey monkey' to gain exec assessment of IA by 30 October. Agreed to bring the Exec Director assessment results to the February 2023 meeting – <u>Action closed</u>
11.10.22	<b>A.10.22.5</b>	<b>Sector update and benchmarking report.</b> MH agreed to provide an update paper to the February 2023 meeting in relation to climate change and the impact on public sector bodies.	Director of Finance <b>2022/47</b>	February 2023	Item added to February agenda – <u>Action closed</u>
11.10.22	<b>A.10.22.7</b>	<b>Annual External Audit performance review.</b> SN queried if there were any lessons learnt from this process that would be relevant to the Committee's earlier involvement in the process and MH confirmed this would be considered as part of the development of the work plan.	Director of Finance <b>2022/48</b>	February 2023	29.11.22 - MQ to provide standard annual accounts audit issues and risks paper to AC in Feb 23. The scale of the risk will determine if involvement from the AC in the accounts process is required. The timetable will again include the 'Accounts Review Session' by the AC following submission of the draft accounts. – <u>Action closed</u> .
11.10.22	<b>A.10.22.11</b>	<b>Follow up of internal audit recommendations.</b> JH agreed to write to the Executive Team to encourage them to complete all sections of the report which is one key element considered as part of the Head of Internal Audit Opinion.	Internal Audit (JH) <b>2022/49</b>	February 2023	29.11.22 – in addition to JH action, MH also provided information to each Executive Director on their specific outstanding recommendations and encouraging closure or updates to the recommendation. – <u>Action closed</u>
11.10.22	<b>A.10.22.12</b>	<b>Counter fraud progress report update.</b> BAS queried the value of adding a separate action update section for each case in the 'prevent and deter' section of the report to highlight the actions agreed. RM	Counter Fraud (RM) <b>2022/50</b>	February 2023	RM confirmed that there will be a section of 'outcomes' provided in the next progress report. <u>Action closed</u>

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		agreed to provide an outcome paragraph in his report as a separate heading showing the relevant actions. He also agreed to work in tandem with internal audit to record the information as a separate item.			
11.10.22	A.10.22.15	<b>Progress on Charitable Funds Annual Report and Accounts 2021/22</b> NR agreed to provide the AC with a brief description on the distinction between an independent examination and a full audit so that we can be assured that what is in place is suitable and sufficient and it meets the Charity Commission requirements.	External Audit (NR) <b>2022/51</b>	February 2023	Copy of letter shared with AC as part of the process to approve the Charity Accounts. <u>Action closed</u>
11.10.22	A.10.22.17	<b>HFMA Financial Sustainability Self- Assessment.</b> JH agreed to bring the Internal Audit report to the February Audit Committee for review and to provide assurance.	Internal Audit (JH) <b>2022/52</b>	February 2023	Item added to the February agenda – <u>Action closed</u>
11.10.22	A.10.22.18	<b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b> MQ advised that the budgetary management framework has been updated to reflect the latest structure so there will be a requirement to update the Scheme of Delegation in the SFIs.	Deputy Director of Finance <b>2022/53</b>	February 2023	Item added to the February agenda – <u>Action closed</u>
11.10.22	A.10.22.22	<b>Audit Committee Annual Self-Assessment progress report.</b> Once the new governance and assurance arrangements are fully embedded further discussions can take place with the four members of the Committee. LP agreed to finalise the AC annual self-assessment ahead of the February Audit Committee meeting. LP agreed to arrange a meeting.	Board Secretary <b>2022/54</b>	February 2023	Meeting to take place on 26 January and item added to February agenda – <u>Action closed</u>

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11.10.22	<b>A.10.22.23</b>	<b>Audit Committee annual report to board.</b> JM agreed to update the paper with the changes provided by BAS.	Head of Corporate Governance <b>2022/55</b>	February 2023	Updates completed. AC report added to the agenda for the Board of Directors on 10 November 2022. <u>Action closed.</u>
11.10.22	<b>A.10.22.24</b>	<b>Partnership arrangements: implications for the Audit Committee.</b> BAS requested this item is added to the Audit Committee agenda as a standing item.	Board Secretary <b>2022/56</b>	February 2023	Item added as standing item on Audit Committee workplan. <u>Action closed</u>
11.10.22	<b>A.10.22.25</b>	<b>Progress report on compliance with the 'Policy for the development and management of Trust policies'.</b> BAS suggested that generic feedback on lessons learnt is provided to all policy holders as a reminder to ensure their policies are compliant.	Board Secretary <b>2022/57</b>	February 2023	Generic feedback has been provided via a report to all report authors for policies reviewed as part of the audit. Where required policy authors have updated their policies subsequent to the audit to ensure they are compliant. <u>Action closed.</u>
11.10.22	<b>A.10.22.28</b>	<b>Data Quality (DQ) Assurance and Assurance: Key IT systems progress</b> BAS further confirmed that the Data Quality internal audit plan will be reviewed at the February Audit Committee meeting as part of the regular internal audit progress report.	Internal Audit <b>2022/60</b>	February 2023	To be included in the internal audit progress report – <u>Action closed</u>
11.10.22	<b>A.10.22.35</b>	<b>Attendees for subsequent audit committee meetings.</b> Paul Rice, Chief Digital and information Officer to be invited to the February meeting to provide an update regarding 'Data Quality (DQ) Assurance and, Assurance on key IT systems'.	Board Secretary 2022/61	April 2023	Item deferred to April meeting due to strike action on 7 February 2023 – action closed and merged with 2022/59